

Statutory Requirements for License Allotment

Social Equity and Cannabis Taskforce

Licensing Workgroup Briefing

June 30, 2021

Statute Jurisdiction- Limits and allowances

- ▶ LCB has authority to open retail licensing applications under RCW 69.50.331
- ▶ The language in RCW 69.50.345 pertains to the state as a whole, with license distribution by county, so increasing one jurisdiction independently would not be allowed through the department.
- ▶ Further, RCW 69.50.336 requires any recommendation of the social equity task force to increase the number of retail outlets above the current statewide limit to be approved by the legislature, therefore independent rule making for this purpose is not authorized.
- ▶ Key Takeaway: LCB **cannot** increase retail licenses **only** for social equity applicants. Any increase in license number by department would be open to any and everyone. Any recommendation for increased social equity licenses must go through legislative action.

How does LCB determine the number of Licenses?

RCW 69.50.345 Gives LCB authority to determine how many retail outlets may be licensed:

- ▶ (2) Determining, in consultation with the office of financial management, the maximum number of retail outlets that may be licensed in each county, taking into consideration:
 - ▶ (a) Population distribution;
 - ▶ (b) Security and safety issues;
 - ▶ (c) The provision of adequate access to licensed sources of marijuana concentrates, useable marijuana, and marijuana-infused products to discourage purchases from the illegal market; and
 - ▶ (d) The number of retail outlets holding medical marijuana endorsements necessary to meet the medical needs of qualifying patients. The state liquor and cannabis board must reconsider and increase the maximum number of retail outlets it established before July 24, 2015, and allow for a new license application period and a greater number of retail outlets to be permitted in order to accommodate the medical needs of qualifying patients and designated providers. After January 1, 2017, any reconsideration of the maximum number of retail outlets needed to meet the medical needs of qualifying patients must consider information contained in the medical marijuana authorization database established in RCW 69.51A.230;

WA State Population Growth

Year	Total Washington State Population
2013	6,882,400
2020	7,656,200 (11% increase from 2013)
Source: Office of Financial Management. Small Area Demographic Estimates. Accessed at: https://ofm.wa.gov/washington-data-research/population-demographics/population-estimates/estimates-april-1-population-age-sex-race-and-hispanic-origin	

Other States Stores by Population

State (Adult & Medical Use Regulated Programs)	Dispensaries per 100,000 population
Washington	6.2
Oregon	16.5
Montana	15.1
Colorado	14.1
Alaska	12.7
New Mexico	5.2
Nevada	2.4
Michigan	1.7
California	1.6
Arizona	1.4
Vermont	1.1
Massachusetts	1.0
Washington D.C.	0.9
Maine	0.6
Pennsylvania	0.6
Illinois	0.4
New York	0.2
New Jersey	0.1

Oregon Excise Tax

Year	State Tax Received
FY 2016	\$20,652,983
FY 2017	\$70,263,897
FY 2018	\$82,203,729
FY 2019	\$102,094,948
FY 2020	\$133,150,349